



November 8-9, 2006

Physician outliers

ISSUE: The Deficit Reduction Act of 2005 requires that the Commission report on alternatives to the sustainable growth rate (SGR) system. Among the alternatives we must analyze is a payment policy that might adjust payments based on physician outliers.

KEY POINTS: This paper presents an analysis of physician outliers. First, we attempt to assess the magnitude of outlier payments to physicians, using per-capita payments as the benchmark. The, we assess the feasibility of identifying physician outliers using episode groupers.

ACTION: Commissioners should provide staff feedback the appropriateness of this material for MedPAC's mandated report on alternatives to the SGR.

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